

May 1945

Butte County Agricultural Extension
Service, Post Office Building,
Oroville, California

BARLEY

The following data is one of a series that has been compiled on Butte County crops for the use of returning veterans, or others, who are contemplating the purchase of a farm and need some sort of measure as to what might be expected in the way of costs and returns from different crops they might raise. These data are based on cost of production studies, crop reporting service price figures, and, in part on estimates. We believe they are as accurate as can be compiled for a purpose of this kind, but because of all of the variables involved, they must be used only as a basic guide.

Sizes of enterprise have been chosen on the basis of an annual farm income of approximately \$2,000.00.

Size of enterprise.....	500 A. total
	250 A. planted each year
Estimated Capital Investment.....	\$15,000 - \$25,000.
Estimated Average Yield.....	1,600 pounds per acre
1935-39 Average Price.....	\$1.04 per cwt.
Farm Income	\$1,893.00 - This figure represents
	the estimated gross income, minus cash costs (including a
	depreciation charge but not including interest on the investment)
	plus the cash value of the operator's labor.

Gross Income.....	\$4,160.00
Cash and depreciation costs.....	<u>2,477.00</u>
Net Income.....	\$1,683.00
Operator's labor (750 hours).....	<u>210.00</u>
Farm Income.....	\$1,893.00

Table 3 - A Standard of Inputs and Costs for Barley
with a Yield of 3,000 pounds per acre (25 sacks).

	Man Labor		18h.p. tractor	1½ T. truck	Cost per acre	Cost per cwt.
	Oper.	Total				
Hours per acre						
Plow	1.2	1.2	1.2		\$ 2.16	
Harrow, float, etc.	1.0	1.0	1.0		1.80	
Plant	.3	.3	.3	.1	.68	
Irrigation, including prep.	2.0	2.0	.2		1.80	
Total cultural labor	4.5	4.5	2.7	.1	6.44	\$.21
Combine 6', incl. \$1 for engine	1.5	3.0	1.5		4.90	
Haul grain, field to warehouse	.7	2.1		.7	2.66	
Total labor	6.7	9.6	4.2	.8	14.00	.47
Irrigation water					2.80	
Seed 100 lb. at 3¢ (treated)					3.00	
Sacks, field sack replacements					1.00	
Total material cost					6.80	.22
General expense, 5% of total labor & material					1.04	
County taxes					3.00	
Repairs & small equip. except truck & tractor					2.00	
Insurance, compensation, fire, etc.					.60	
Total cash overhead costs					6.64	.22
Total cash costs					27.44	.91
Investment & investment overhead based on 80-A.	Orig. Cost	Aver. Value	4% Int.	Depreciation		
Farm & 40 acres of barley	Dollars an Acre					
Building and fences	24.00	12.00	.48	.90		
Tillage equipment	10.00	5.00	.20	.80		
Grain drill	8.00	4.00	.16	.40		
Combine harvester	44.00	22.00	.88	3.00		
Misc. small eqt. & tools	4.00	2.00	.08	.80		
Land	200.00	200.00	8.00			
Total investment	290.00	245.00				
Total depreciation				5.90	5.90	.20
Total cash costs and depreciation					33.34	1.11
Total interest on investment at 4%			9.80		9.80	.33
Total all costs					43.14	1.44
Less value of stubble pasture					1.00	.04
Net cost of grain					\$42.14	\$1.40

Labor costs are computed at the following hourly rates: Man labor \$0.80, 18 drawbar horsepower tractor \$1.00, 1½ ton truck \$1.40, and combine engine \$0.67. Use of combine is assumed for 40 acres, \$0.88 interest, and \$3.00 depreciation per acre being included in investment overhead costs. Total combining cost is therefore \$4.90 for labor plus overhead of \$3.88, or a total of \$8.78 per acre, which may be above the cost of hiring combining on a contract basis. Reduction could come through using the equipment for a greater acreage by renting, joint ownership, or exchanging work with different pieces of large equipment.